MINUTES
of the
FIFTH MEETING
of the
LEGISLATIVE HEALTH AND HUMAN SERVICES COMMITTEE

October 2-4, 2013
Bob Moran Hall, New Mexico Junior College
1 Thunderbird Circle
Hobbs

The fifth meeting of the Legislative Health and Human Services Committee (LHHS) was called to order by Representative James Roger Madalena, chair, at 9:30 a.m. on Wednesday, October 2, 2013, in Bob Moran Hall at New Mexico Junior College in Hobbs.

Present
Rep. James Roger Madalena, Chair
Sen. Gerald Ortiz y Pino, Vice Chair
Rep. Nora Espinoza
Sen. Gay G. Kernan
Sen. Mark Moores

Absent
Rep. Doreen Y. Gallegos
Rep. Terry H. McMillan
Sen. Benny Shendo, Jr.

Advisory Members
Sen. Sue Wilson Beffort
Rep. Nathan "Nate" Cote
Rep. Sandra D. Jeff (10/2, 10/3)
Rep. Linda M. Lopez
Sen. Cisco McSorley
Sen. Bill B. O'Neill (10/2)
Sen. Mary Kay Papen (10/2)
Sen. Nancy Rodriguez (10/3, 10/4)
Sen. Sander Rue (10/2, 10/3)
Rep. Edward C. Sandoval
Rep. Elizabeth "Liz" Thomson
Rep. Phillip M. Archuleta
Sen. Craig W. Brandt
Sen. Jacob R. Candalaria
Rep. Miguel P. Garcia
Sen. Daniel A. Ivey-Soto
Rep. Paul A. Pacheco
Sen. William P. Soules
Sen. Lisa A. Torraco

Guest Legislators
Rep. Donald E. Bratton (10/3, 10/4)
Rep. David M. Gallegos
Sen. Carroll H. Leavell (10/2, 10/3)

(Attendance dates are noted for those members not present for the entire meeting.)

Staff
Michael Hely, Staff Attorney, Legislative Council Service (LCS)
Shawn Mathis, Staff Attorney, LCS
Rebecca Griego, LCS Records Officer
Nancy Ellis, LCS Staff
Branden Ibarra, LCS Intern

Guests
The guest list is in the meeting file.

Handouts
Handouts and other written testimony are in the meeting file.

Wednesday, October 2

Introductions
Representative Madalena welcomed everyone and asked legislators and staff to introduce themselves.

Welcome to New Mexico Junior College
Steve McCleery, Ph.D., president of New Mexico Junior College, said that on behalf of Lea County, "we are thrilled that you are here and we would like to show you how municipalities have come together with the state to provide great quality services". Hobbs had a population of about 28,000 just 10 years ago; today it is 40,000, Dr. McCleery said, while Lea County grew from 53,000 a decade ago to nearly 80,000 today. Oil and gas are driving the economy in Lea County, Dr. McCleery said. "It is so robust, and we embrace that and know that we cannot grow it without the state. You are our partner."

Legislative Finance Committee (LFC) Health Care Work Force Report and Department of Health (DOH) Perspective
Jack Evans and Rachel Mercer-Smith, program evaluators for the LFC, provided the committee with printouts (see handouts) of the state's health professional shortage areas (HPSA) in primary care, dental and mental health services. Mr. Evans and Ms. Mercer-Smith described for committee members the conclusions of a report delivered to the LFC in May on the adequacy of New Mexico's health care work force produced by the DOH and other allied agencies (see handout). There are nearly 450,000 New Mexicans who currently lack health insurance, Ms. Mercer-Smith said, and it is estimated that 172,000 will become insured in 2014 as a result of the federal Patient Protection and Affordable Care Act (PPACA). With shortages and maldistributions throughout the state in primary care physicians (PCPs), dentists, nurses and clinically trained behavioral health care practitioners, New Mexico should expect some deterioration in access to health care as the PPACA unfolds, they said, following pent-up demand for services.

Going over conclusions contained in the report's executive summary, Ms. Mercer-Smith described chronic problems of concentration of professionals in urban areas and the aging of the work force. Practitioners can be trained in half the time at half the cost, she said; nurse practitioners and physician assistants (PAs) can perform 70% to 80% of common procedures. There is a shortage of nurses in New Mexico — 3,000 by this report's estimate — and the state also needs more psychiatrists and psychologists. A smarter service delivery model will help the state do better. There is benefit from coordinated care, Ms. Mercer-Smith said, and a team approach to help reduce hospital admissions and keep New Mexicans more healthy by stressing prevention.

Recommendations of the report include providing the DOH with adequate resources and a suggestion that the legislature work more closely with the University of New Mexico Health Sciences Center (UNM HSC) to recruit and maintain the work force. Loan repayment, loan-for-service and other financial assistance programs should be expanded, the report recommends, and general fund dollars could be used to help expand the number of residencies in primary care. The report also recommends that the state train more advanced practice professionals and expand the number of master's-level social workers. Despite the push for doctorate-level programs in nursing, it is recommended that the state's educational institutions retain their master's-level programs to graduate more nurses. It was recommended that the state expand dental hygienist training and that it revisit the concept of dental therapists. Barriers to achieving these recommendations include a shortage of qualified faculty and also regulations that may limit providers from working to the full extent of their licenses. It advised a full review of health care practice acts.

Michael Landen, M.D., state epidemiologist, DOH, reinforced the comments of Ms. Mercer-Smith and Mr. Evans regarding the LFC report, and stated that, clearly, the state needs to expand its work force for better, smarter distribution and that there is an opportunity to take a systematic look at health care coverage. Disease does not match up with the health care distribution, he said. Care of chronic illness is a key type of health care provision as an outpatient, Dr. Landen said; too many patients with diabetes are getting more of their care in the emergency room. Dr. Landen also suggested that more prescription monitoring could be done by the Board of Pharmacy.

Dr. Landen provided a handout pursuant to which he discussed great disparities in health outcomes in the state, with the southeast and northwest areas of the state suffering some of the worst outcomes relating to deaths due to disease status; diabetes; heart disease and other chronic conditions; and substance dependence. He noted the correlation of these poor health outcomes with the lack of health care providers and the high rates of uninsured and underinsured individuals in these areas.

Representative Madalena turned his gavel over to Senator Kernan to chair the rest of the LHHS meeting in her home district.

Questions/Concerns

Committee members had questions about the information in the LFC report and other presentations in the following categories.

Enlarging scopes of practice. A member commented to Mr. Evans that, based on this report, it sounds like the DOH is in support of dental therapists. New Mexico needs to expand the level of services for dental hygienists as soon as possible, Mr. Evans said, and it is important to look at dental therapists as a way to expand much-needed services. The idea of dental therapists should be revisited and brought back to the table, he said. PAs need reciprocity with other states, Mr. Evans said, and their scope of practice could be expanded. The issue is more pronounced for rural areas. Maybe after PAs have been in the work force for three to five years, they could be granted the same duties as a nurse practitioner. Another member noted that nurses have lobbied to prevent this. Dr. Landen urged members to encourage collaboration among the licensing entities. Another member mentioned the possibility of establishing a "super board"; nobody, it seems, is looking at the bigger picture. If the state does decide to enlarge scopes of practice, offered another member, the state needs to ensure that new providers do not all go back into urban areas. Perhaps there could be a promise that the provider will practice for a certain amount of time in an underserved area.

Other recruitment issues. A group of podiatrists met recently in Albuquerque, a member said, and their issue is that Medicaid will not pay them for certain activities; there are gaps in what Medicaid will pay. They also brought up related issues, the member said, such as gross receipts tax, which is exempted only for managed care organizations (MCOs). The podiatrists feel that they are paying an unfair burden. "What if we just said no gross receipts tax for medical care?", the member speculated. Mr. Evans said that this is an excellent topic to look into, as caps on medical liability might be expanded to dentists, and in general, for recruiting in the state. "We are recruiting against other states", another member noted.

Overdose from opiate addiction. A member asked if the death rate from drug overdose is still highest in northeastern New Mexico and Bernalillo County. Mr. Evans said that counties in southern New Mexico are having overdose problems, but it is becoming more evenly distributed throughout the state. The member asked that this information be sent to the committee.

Better use of resources. Sometimes a practitioner is better than a physician for an initial visit, said a member who is also a physical therapist. A physical therapist may know the foot better than a doctor. People who have expertise may be best to see first, trying to use medical personnel more intelligently, she said. Telehealth needs to be utilized more, offered another member. Mr. Evans agreed that in the future, telehealth will be used extensively, with raised levels of confidence. Obtaining a master's of social work requires over 3,000 hours of direct supervision, Mr. Evans noted. If the rules were loosened up, there could be a lot more social workers. Telehealth can be used in dentistry, where a dentist could be supervising multiple students and/or staff without having to travel to the classroom, he added.

Non-compete clauses in hospital contracts. A legislator expressed distress over his belief that many physicians are being lost in southeastern New Mexico due to non-compete clauses. A committee member stated that what is happening in Lea County is almost "bait-and-switch": physicians are enticed to leave private practice and become employees of the hospital, but when they go to renegotiate the contract, the hospital has put in the non-compete clause. The DOH does not allow non-compete clauses, members were told; some courts have found them unenforceable. The chair told committee members there will be a presentation this afternoon by Lea County that will discuss why physicians are leaving the area. Legislation may be needed to forbid non-compete clauses, a committee member stated.

Letter to Congressman Steve Pearce. A committee member requested that staff send a letter to Congressman Pearce that would request his office's attention to the concerns raised about health outcomes in southeastern New Mexico.

Minutes Approved

A motion was made, seconded and passed unanimously to approve the minutes of the July 25-26, 2013 LHHS meeting.

Health Care Work Force Recruitment, Retention and Attrition; Payment Issues and Targeted Delivery Systems

David P. Sklar, M.D., associate dean for graduate medical education and professor emeritus of emergency medicine at UNM HSC, said he wanted his presentation to give context to the LFC presentation. Dr. Sklar provided members with a PowerPoint presentation (see handout) that defines the problem in several categories: inadequate production of providers, increasing population with increasing needs, inefficiencies within the delivery system and the loss of providers through migration, retirement, disability and death.

It will be a long haul to fix these problems, Dr. Sklar said, addressing each category in more detail. Nurse practitioners and PAs do require shorter training, but they still need supervision after graduation. It is very important to look at populations and learn to address their issues in a more efficient way, he said, because the current fee-for-service health care system increases productivity instead of encouraging case management, and attrition of the work force — New Mexico has the oldest population of physicians — can be slowed with different kinds of incentives. A delay of retirement by two years could help to hold the line, Dr. Sklar said. All of these issues need to be addressed, not just one. With an aging population and more chronic illnesses, the patient-to-physician deficit is projected to be 100,000 by 2025. A team-based care model can help reduce this demand. Medical schools did expand, Dr. Sklar said, but the state has not increased the budget for graduate medical education. Loan repayment programs can be used to encourage physicians to choose primary care and also to address the shortage in general surgery, but increased state funding is needed for rural residencies, Dr. Sklar said. If nothing is done, market forces will solve the work force shortage with reduced quality of and greater disparity in access to care.

Jerry Harrison, Ph.D., director of New Mexico Health Resources, Inc. (NMHR), described the work of his nonprofit organization as a clearinghouse for recruiting and retaining health professionals in the state (see handouts). There is fierce competition for physicians, and there needs to be fast person-to-person networking, Dr. Harrison said. There has been a push toward physicians going to work for hospitals, with many of them specializing. This is also a trend with nurse practitioners and PAs, he said. Established in 1981 and now a national model, NMHR has recruited more than 1,400 health care professionals to the state, averaging now about 55 placements a year. This includes physicians, dentists, nurse practitioners, PAs and others.

Asked what is working in recruitment, Dr. Harrison listed the New Mexico Health Service Corps, which awards a stipend based on a two-year commitment; awards that pay for malpractice coverage or for student loan debt; and the rural health care practitioner tax credit, which provides between $3,000 and $5,000 in income tax credit. Studies found that those who receive scholarships leave their positions earlier than those who get loan repayment. The best, and least expensive, recruit, Dr. Harrison said, is someone who lives in the community. When a new recruit is brought in, someone needs to determine if the match is a good one, he said. The problems of recruitment and retention are not confined to rural areas; urban areas suffer shortages, too, Dr. Harrison said. All formulas, both federal and state, are keyed to HPSAs (see handouts).

Questions/Concerns

A legislator described the success of the local hospital district in Lea County, which now includes a dental clinic. The local hospital district is a way for rural areas to help take care of their populations, Dr. Harrison agreed, but there are many communities who have decided not to tax themselves.

In response to a question about NMHR, Dr. Harrison said his board of directors is composed of 17 persons, each representing a geographic area of the state and each of whom is elected to a two-year term. The board of directors tries very hard not to overrepresent Albuquerque and Santa Fe in relation to the rest of the state, he said. Its annual budget is between $600,000 and $750,000, and it has contracts with the DOH, Blue Cross Blue Shield and Molina Healthcare, among others.

Dr. Harrison described a recruitment program used a number of years ago that placed billboards on the interstate between Santa Fe and Albuquerque to entice physicians to come to New Mexico to practice. Sometimes people would call NMHR and say, "I want to come here and work". That $1,000 a month might not be a bad investment, a member commented. Dr. Harrison said his organization pays a lot of attention to identifying New Mexico providers wherever they are and trying to bring them back to New Mexico.

UNM Work Force Report

Richard S. Larson, M.D., Ph.D., vice chancellor for research at UNM HSC, presented a summary of the initial report of a statewide work force committee on health professional

practices. House Bill (HB) 19, passed in 2012, mandated the UNM HSC chancellor to appoint the committee to devise a survey for state licensing boards and applicants, to analyze incentives to attract more students into health care careers and to develop plans to improve health care access. All licensing boards now have been instructed to attach a survey to license renewal mailings, which occur every three years on a staggered basis, Dr. Larson said, and all license data are now transferred to the database at UNM HSC.

There are many different types of nursing degrees, said Dr. Larson. The PPACA will impact the bachelor of science in nursing degree (BSN) group the most, since the higher percentage of BSNs at a hospital, the higher the quality of care is rated at that facility. There will be pressure for nurses with associate degrees to upgrade to a BSN. Dr. Larson's group projected that 2,306 additional registered nurses are needed and that 1,840 of these need to be BSN-prepared by 2020. All of the nursing programs in the state have formed an organization and have agreed to recognize all of the same courses, and unaccredited programs need to become accredited, he said. There needs to be enough training slots to place nursing students throughout the state because they are more likely to stay where they are trained.

Distribution is also a problem with PCPs, for which a current shortfall of 219 is projected by the committee. In order to grow the supply of PCPs, more residency slots need to be funded. There are currently more physician graduates than there are residencies available, so growth is capped, Dr. Larson said. There are 530 residency slots at UNM HSC, 450 of those paid for by the federal government, but it could be expanded to add 45 more if funding were available from the legislature. Dr. Larson also suggested more funding for physician extender programs such as Project ECHO to help address the PCP shortage.

Practicing psychiatrists in the state continue to decline, according to the report, with a current total at 258, and with 12 counties having no access to psychiatrists, Dr. Larson said. There are some nurse practitioners who specialize in psychiatry. The group recommends that the number of resident positions in psychiatry should be increased, possibly through state funding, and Project ECHO may also be part of a solution.

The Kaiser Family Foundation reports that New Mexico currently has 1,071 professionally active dentists, but there are issues with rural/urban distribution and economics. The committee recommends that the state increase the number of Western Interstate Commission for Higher Education (WICHE) slots so that all New Mexico students who wish to become dentists can be provided grants to attend out-of-state dental schools. Other recommendations include expanding loan repayment programs in exchange for practice in underserved areas and establishing a BA/DDS program to recruit and support New Mexico's pre-dental and dental students, particularly those from rural and minority communities. The committee also recommends the establishment of a community dental health coordinator to assist persons with access barriers.

In response to a member's question about the possibility of more frequent licensure data collection, Dr. Larson explained that some boards do not even have the capacity to put in these

surveys. As the committee, which has been empowered by HB 19, becomes more familiar with the data that it currently gathers, refinements could be made. Dr. Larson reminded LHHS members that HB 19 is an unfunded mandate and UNM HSC needs $320,000 to pay for this ongoing work. The member said he would like this included as committee-endorsed legislation.

Grow Your Own Work Force

Danielle Moffett, M.A., work force program director for the Center for Health Innovation, Hidalgo Medical Services in Silver City, described the center's "Forward New Mexico" approach to cultivating a future work force (see handout). The model involves gaining commitments from students while they are still in secondary school. Stage 1 is getting kids interested in math and science and after-school programs. There are field trips to UNM, summer camps and paid internships for those 18 years of age and older. Stage 2 is supporting students through undergraduate education and staying connected until they apply to medical school or a graduate program. Stage 3 is expanding graduate and resident programs and providing access to a variety of providers through Hidalgo Medical Services clinics; also, housing adjacent to the clinics is provided. Stage 4 is retaining and recruiting these home-grown providers. Stage 5 is supporting improvements in health care professional policy and programs and increasing supply and access. Forward New Mexico began in 2011, and the first year in Silver City, nine students signed up; this year, 45 signed up. Ms. Moffett said that they are proposing that this be a model. It could work anywhere, she said, be cost-effective and part of solving the problem.

Arthur Kaufman, M.D., is vice chancellor for community health and a professor of family and community medicine at UNM HSC. Dr. Kaufman described a model for increasing New Mexico's family medicine residencies (see handout). Most residencies are funded by Medicare and are frozen, he said, and teaching hospitals do not fund resident rotations in community or rural areas. The legislature last year funded eight residencies in primary care, "but we need to get them out of the lock of the big hospitals", Dr. Kaufman said. Some community health centers and community hospitals will share funding of a resident's community rotation. Family medicine continues to be the most sought-after physician specialty for employers, Dr. Kaufman said. In his proposal, he urges the state to explore the use of Medicaid funding for additional residency slots in primary care (this has been done in Ohio, he said) and to utilize general funds to supplement rural family medicine residencies and rural psychiatric residencies.

Lea County Health Care Plan; Sole Community Provider and Indigent Funding

Mike Gallagher, Lea County manager, welcomed the committee to Lea County and thanked members of the legislature for their hard work. Lea County covers 4,400 square miles, has a population of 66,118, has an unemployment rate of 3.8% and last year was the fastest growing county in New Mexico, Mr. Gallagher said. There are two sole community provider hospitals in the county, Nor Lea and Lea Regional. Mr. Gallagher provided information to committee members on a current Lea County health care study (see handout) and described issues with sole community provider and county indigent funding programs (see handout).

The health care study currently under way has been engaging community members in town

hall-style meetings with robust participation, Mr. Gallagher said, and its purpose is to address the fact that, collectively, local health care providers are not meeting the needs of the community. Lea County hospitals are caring for less than half of county residents requiring hospitalization; more than $140 million in potential revenue is being lost as residents go elsewhere for services. There is a critical shortage of clinicians in Lea County, and several physicians who were employed in Lea County have left. Non-compete clauses in contracts are an issue.

Mr. Gallagher described the county's one-eighth percent gross receipts tax, which became effective in 1990 and currently produces about $5 million in revenue. Half of this revenue is sent back to the state as the state-mandated contribution to Medicaid, while the remaining half provides funding for the two sole community provider hospitals, county inmate medical services, county nonprofit behavioral health agencies, the county diabetes program and indigent burials. Now the Human Services Department (HSD) has proposed to redirect the second half of these tax funds to fund the uncompensated care pool and to increase Medicaid base rates for inpatient services under Centennial Care (see handout). There is great concern among counties that have this tax that they will no longer be able to meet the needs of their own indigent programs and Medicaid contributions, Mr. Gallagher said, and fear that they may eventually be forced to increase the tax burden on residents. Every county that has this tax has expressed opposition to the HSD proposal, he said.

Questions/Concerns

A member noted that the HSD is not asking for any additional funding this year, but it is proposing to take this revenue from counties. Senator Leavell said that the idea may not have been well thought out by the HSD and that he would like to see a letter from this committee to the HSD expressing opposition. A committee member made a motion to send a letter to the HSD noting concerns and to direct staff to prepare it for review at the next meeting in November. Another member proposed amending the motion to suggest that the HSD come to this committee to present its side of the issue. The amended motion was seconded and passed with no objections.

Public Comment

B.J. Choice, pastor at St. John Missionary Baptist Church in Hobbs, said 35 years ago he was a member of the Human Services Board, and he complimented Senator Kernan and Senator Papen and her late husband, a physician who did much for Lea County. Pastor Choice thanked committee members for coming to Lea County and for addressing health concerns.

The meeting recessed at 5:30 p.m.

Thursday, October 3

Welcome and Introductions

Senator Kernan reconvened the meeting at 8:45 a.m. and asked members and staff to introduce themselves. She then introduced Sam Cobb, mayor of Hobbs, who welcomed committee members. Hobbs is having growing pains, Mayor Cobb said, regarding housing as

well as health care. The city hopes to incentivize the private sector to help with some of the housing issues, and it may need a boost from the legislature. Mayor Cobb also said that Hobbs wants to assemble a health care delivery system that will be the envy of the region.

The meeting opened with a committee member asking, "Why is gas $.50 a gallon higher here in oil country"?, which drew laughter from other members, who also had noted the higher gas prices. The mayor responded that it is the truest form of the free enterprise system. After thanking the mayor for the city's hospitality, there was considerable discussion among members about an article that appeared on the front page of the local newspaper, the *Hobbs Sun-News*, describing Mr. Gallagher's appearance the previous day. There were a lot of inaccuracies in the story, several members asserted. Senator Kernan agreed and said that the concept of the county's one-eighth percent gross receipts tax and indigent funding is very complex and that she would be happy to discuss it in detail with the newspaper. In no way did Mr. Gallagher say that the county was going to raise taxes, she said.

Hunger in New Mexico

Cindy Jackson, a community advocate, described New Mexico as being number one in the nation for child food insecurity. In Lea County, 20% of children are hungry but do not qualify for government aid, she said. That means that parents are working, but do not make enough to keep their children from going hungry. Ms. Jackson works with a group of volunteers who pack lunches into backpacks for 250 kids to eat over the weekend.

Kathy Komoll, executive director of the New Mexico Association of Food Banks (see handout), told members that "food insecurity" has replaced the word "hunger" but she thinks food insecurity is an insulting term. If a child is not eating, that is hunger, she said. People are hungry for many reasons (see handout), with unemployment or underemployment at the top of this list. A medical crisis or breakdown of a car can mean that meals must be skipped. In rural areas, it might be a 60-mile round trip to the nearest grocery store. The high cost of living, especially housing, can mean there is little money left over to buy food. The association's five food banks serve a network of more than 40,000 New Mexicans weekly, Ms. Komoll said. Seniors are among the most physically vulnerable to hunger and often lack access to nutritious food.

One in five New Mexicans suffers from food insecurity, Ms. Komoll said; 30% of children and 21% of seniors in New Mexico are food insecure. A lot has been said about SNAP, the federal Supplemental Nutrition Assistance Program, she said, which will undergo enormous cuts under the farm bill passed recently by the U.S. House of Representatives. "We have great concerns that with these cuts, the volunteer private sector will not have the resources to meet the needs."

Jaron Graham, pastor of the Church of the Nazarene in Lovington, organized a group of churches and community leaders to form the Lovington Food Coalition in 2012, after looking around and seeing that hunger needs were not being adequately met. The structure involves two food pantry locations, one open every Tuesday from 4:00 p.m. to 5:00 p.m., and the other on

Thursdays. There also is a mobile drop-off once a month, Mr. Graham said. The truck, which brings fresh vegetables, comes at 10:00 a.m., but people are lined up at 6:00 a.m. The coalition wants to provide high-quality, healthy food and dignity as it distributes this assistance. Mr. Graham said that a grocer and local restaurants and businesses also are involved in the coalition.

There are three food banks utilized by the Lovington Food Coalition: Roadrunner Food Bank, Brick and Mortar Food Bank and Cornerstone. The backpack program works with the schools to help identify children who appear to be hungry and sometimes are observed hoarding food. Parents are contacted to get approval for participation, and the use of the backpacks is an unobtrusive way to get healthy lunches and snacks home for the weekend. Answering a member's questions about who gets food from the pantries and why do they need it, Mr. Graham said that most of them are families, and contributing factors are underemployment, lack of job skills, one parent is in jail or has left town and seniors struggling on fixed incomes. The cost of living in Lovington is high, he said, and many renters are struggling.

Ruth Hoffman, director of Lutheran Advocacy Ministry, told committee members it is the thirtieth anniversary of her organization, whose goal is to witness and minister to people in poverty in New Mexico. Ms. Hoffman said her work is in policy, but there is no silver bullet. "We do the work individually, but we work together", she said. Congregations in New Mexico are answering the call to feed the hungry. Without SNAP, every congregation in America would each need to spend $50,000 a year to fill the need, she said.

There are 444,000 New Mexicans who receive some kind of SNAP assistance now — this is one-fourth of the state's population. Some people — the elderly and disabled — get $16.00 a month, but with the state SNAP supplement, that is raised to $25.00. Ms. Hoffman would urge the legislature to add $1.2 million to the general fund supplement and restore that amount to $30.00 a month, which is where it was before the recession. Other actions that could help reduce hunger in New Mexico include increasing state funding to the Fresh Produce Initiative, increasing the minimum wage, encouraging economic development that provides well-paying jobs, providing early childhood education, improving public transportation, providing stronger enforcement of wage theft laws and many more suggestions that are found on page 15 of her handout. Ms. Hoffman urged every member of the committee to visit a food pantry in his or her district. The challenge of meeting the needs is more than the private sector can handle, and everyone has to continue to work together, she said.

Questions/Concerns

A committee member expressed enthusiasm for the emphasis on fresh produce and asked if what is used is grown in New Mexico. Most of it is, Ms. Hoffman said, but federal and state funding for fresh produce needs to be broadened so that supplying fresh produce becomes part of economic development. The need for cold storage, especially in rural areas, was discussed, including the possibility of using portable cold storage.

A member addressed Mr. Graham, saying his lesson is a good one for the state: You do your

work without any judgment, which is very important, the member said. How people come to this situation of not having enough to eat needs to be identified. Adult education, job training, early childhood education, an increase in the minimum wage, all of these are important, the member said, adding that he hoped everyone would listen to people in the trenches who work from the bottom up to effect change.

Ms. Hoffman was asked by a member to supply the committee with a spreadsheet of her policy recommendations for the legislature, along with the dollar amounts requested. Mr. Graham was asked if he thought his consortium was meeting the hunger needs in Lovington. He responded that "we are always going to need more than what the private sector can do, but I think we can come close".

Every year the numbers seem to grow larger, especially for seniors and transportation issues, said another member. Two hundred families receiving food is a drop in the bucket, she said. Outreach is needed in communities to put money into adult education and to utilize public schools and spaces that already exist for this in communities. There is much work yet to be done, she said.

There was discussion of the fact that schools are still throwing away food, and a member made the motion that the LHHS send a letter to the Public Education Department asking that it notify all school districts that it is legal to give leftover food to local food pantries. The motion was seconded and passed with no objection.

Alzheimer's Task Force Presentation

Alzheimer's disease is a public health crisis in New Mexico, said Gino Rinaldi, secretary of the Aging and Long-Term Services Department (ALTSD). In response to House Memorial 20 calling for development of a state plan to deal with Alzheimer's, his agency convened a broad-based task force in 2012, and today Secretary Rinaldi, along with Myles Copeland, ALTSD deputy secretary, and Agnes Vallejos, executive director of the New Mexico chapter of the Alzheimer's Association, presented the results: the New Mexico State Plan for Alzheimer's Disease and Related Dementias (see handout).

Alzheimer's has surpassed all other diseases as the most costly in the nation, Secretary Rinaldi said, and New Mexico now joins 30 other states that have already published plans for dealing with the disease. A PowerPoint presentation of steps taken to develop the state plan was presented to committee members (see handout), starting with the selection of 60 members representative of the entire state. Included were participants from state government, providers, caregivers, tribal organizations, educators, researchers and persons with Alzheimer's disease. The New Mexico Alzheimer's Association co-facilitated meetings and provided technical information and support. Five work groups addressed quality of care, caregiver needs, research, health care system capacity and public awareness, and developed recommendations and goals that were then presented to the full task force for consideration. The plan recognizes the unique elements of

New Mexico (rural character, high poverty and cultural and ethnic diversity), and is a "living document", Secretary Rinaldi said.

Deputy Secretary Copeland described the effect of aging baby boomers, and said that by 2025, New Mexico will have the fourth-largest population in the nation over 65 years of age, and, it has been estimated, 43,000 residents suffering from Alzheimer's. There is a link between Alzheimer's and general health, he said, and age (over 65) is the biggest risk factor. Most care is being given within the home, Ms. Vallejos said, resulting in significant stress on the family caregiver, who may not know where to turn for help. There is stigma and isolation associated with the disease, as well as financial strain for the family, who may not involve a physician until there is a crisis. Deputy Secretary Copeland said the task force found that a lot is being done by organizations, but much of it is not connected. Caregiver training with evidence-based classes not only helps families, but also provides a direct financial benefit for the community at large with urban and rural course delivery, including a Spanish language program.

The plan recommends the establishment of an Office of Alzheimer's Disease within the ALTSD, Secretary Rinaldi said, to serve as a one-stop shop for information and for caregivers who may qualify for services. There are two universities and two national laboratories in new WICHE slots that could be invaluable for research, collecting reliable data and broadening public education about Alzheimer's, he said. Other recommendations include reestablishing a geriatric center at UNM HSC and adopting the Alzheimer's Association dementia care practice guidelines as minimum standards for all providers in New Mexico.

Questions/Concerns

A member asked if treatment for dementia is different than treatment for Alzheimer's. Ms. Vallejos said yes, but as people become more cognitively impaired, physical health becomes more important and the approaches tend to be the same. Project ECHO has an Alzheimer's clinic, she said, and this has really elevated everyone's understanding as far as distinguishing different forms of dementia. The member also suggested that, given estimates of one in three New Mexicans eventually developing Alzheimer's, state government might be wise to get ahead of the curve by adapting senior centers to provide adult daycare facilities instead of mini-gyms. Secretary Rinaldi commented that there is a correlation between lifestyle and dementia, and perhaps there needs to be a balance of both. Minimizing risk factors for Alzheimer's can potentially delay onset, Ms. Vallejos added. "What is good for your heart is good for your head."

A tsumani is coming, said another member, whose mother died of Alzheimer's, and not just in New Mexico but across the country. Rural New Mexico does not have senior centers. It is critical to figure out what to do about respite care for caregivers in rural communities, where people do not know where to go or who to call. It is heartbreaking to see what families are going through, the member continued; the challenge will be to collaborate and spread resources.

Public Comment

Pastor Choice commented that the plan needs to include tri-cultural considerations, not just

those of Native American and Hispanic residents. A photograph on page 19 of the plan shows an African American couple, he pointed out.

Robert Rohr, J.D., corporate director of human resources for Haverland Carter Lifestyle Group, an organization that provides home health care in Albuquerque, said that despite geriatrics being a fairly affluent area of health care, recruiting BSNs with geriatric experience is very difficult. He said that residents are coming to his organization at an older age and with more acute needs, requiring more time and expertise from staff. Mr. Rohr urged that skilled nursing care in senior communities should be important to the state; it is not all about hospitals, he said.

Ending Homelessness in New Mexico

Hank Hughes, executive director of the New Mexico Coalition to End Homelessness, described the annual one-day point in time count of the unsheltered homeless in Albuquerque, which was conducted on January 28, 2013. That number was estimated to be about 2,800, Mr. Hughes said, and has been reduced because state and federal funding have increased the number of beds for the homeless to 1,600. It is estimated that 20,000 New Mexicans have or are experiencing homelessness, he said. For homeless children, the numbers have gone up to 13,000, perhaps due to the poor economy. The Public Education Department's definition of homelessness includes sleeping outside or living with friends or in hotels.

People who are disabled and homeless need subsidized case management and subsidized permanent housing, Mr. Hughes said. Housing is the first line of treatment, and it is cheaper to provide it than to just leave people on the street, he said. Mr. Hughes provided a report (see handouts) from the UNM Institute for Social Research that examined in depth Albuquerque's Heading Home initiative. The study found a net cost benefit of nearly $13,000 per person from fewer emergency room and hospital admissions, incarcerations, inpatient mental health treatments and other services. The homeless fund and linkages are two sources of state funding; the federal government matches funding 4:1 for supportive housing. An additional $1 million is being sought this year from the legislature to support transitional housing, Mr. Hughes said, and $1.2 million for the state's current homeless population.

Pamela Angell, co-chair of the New Mexico Coalition to End Homelessness and development director for the Community of Hope at St. Luke's Health Care Clinic in Las Cruces, said that when she began working with the homeless 12 years ago, she had a $5,000 grant to put veterans in hotel rooms. The nonprofit clinic campus where she now works has five agencies on 15 acres, including a soup kitchen, a food bank serving 5,100 families, daycare that serves 184 children and a clinic with free medications that sees 22,000 patient visits per year. It also provides financial and other medical assistance to the homeless. Ms. Angell said that she is excited about the Housing First model, which provides housing as a first line of defense. Once consumers feel secure, she said, they can address other issues such as alcohol dependence or drug abuse. It is cheaper to provide housing than to provide services (medical, dental and behavioral) to people who have been living on the streets, she said. Three-fourths of the clinic staff are nurses; the rest are volunteer physicians. The clinic has a Medicaid provider application pending.

Questions/Concerns

In response to a member's question about how much money the program in Las Cruces is saving the state, Ms. Angell said she does not exactly know. There is not a lot of staff funding, so data are hard to come by, but she is working with a statistician at New Mexico State University. Another member asked how many units were needed — 7,000, Ms. Angell estimated — and noted that the cost of building supportive housing would also have to include ongoing maintenance and continued supportive services. It would depend on the degree of disability of the consumer, Ms. Angell said. People can heal and become empowered just by having a roof over their heads.

Another member said she was sponsor of the Affordable Housing Act, which takes care of the state's antidonation clause problem as long as there is a public benefit. The city of Las Cruces donated a building, the member said, and funds from a foundation were used to fix it up for chronically homeless women. The member suggested that a comprehensive study of buildings throughout the state be conducted to identify those that might be suitable for this type of initiative. Ms. Angell speculated that if 2,000 four-plexes could be built — 100 a year for 20 years — the need would be solved. "This is doable if we just put our heart and soul into it", she said.

Ms. Angell was asked by a member if OptumHealth had offered any funding to help with programs. Behavioral health has been handled outside of the campus, she said, but she would like to see behavioral health integrated with primary care on-site. When her program becomes a Medicaid provider, it will be able to take care of 98% of its homeless under the expansion.

Services for Victims of Human Trafficking

Lynn Sanchez, M.A., L.P.P.C., is executive director of The Life Link in Santa Fe, founded 25 years ago. Today, it is a licensed nonprofit community mental health center with more than 50 employees and is the only program in the state providing comprehensive after-care for rescued human trafficking victims (see handout). In keeping with federal recommendations, The Life Link initiated the textable 505 GET FREE in March. Since its inception, it has received nearly 300 texts and 72 calls.

Human trafficking victims are among the most vulnerable in the population, Ms. Sanchez said. Trafficking is not about prostitution; it is about coercion and loss of liberty. People think that trafficking is only in other countries, but people are being trafficked throughout the U.S. for work in domestic service, agriculture, construction, food service and many other industries. A lot of money is being made, and there is very little public awareness of it, Ms. Sanchez said. Victims need immediate safety and shelter, and require food, clothing, housing and extensive long-term care in order to become stabilized. Most of The Life Link's referrals come from the Albuquerque vice squad, but Ms. Sanchez urges communities to do outreach to identify victims of trafficking instead of relying exclusively on law enforcement.

Michael DeBernardi, Psy.D., director of behavioral health services at The Life Link, referred

members to the handout to explain why the services for these victims are very expensive but absolutely necessary. There is no identified funding stream, and the only state funding for human trafficking victims is through the Crime Victims Reparation Commission, the federal Violence Against Women Act of 1994 and the Victims of Crime Act, amounting to about $40,000 annually. In order to provide appropriate services, The Life Link presented a budget asking the legislature to appropriate $470,000 for 2014 to provide comprehensive services to an estimated 25 rescued trafficking victims. There were seven trafficking cases tried in New Mexico last year with a 100% conviction rate because victims were in good shape to testify, Dr. DeBernardi said.

Susan Loubet, executive director of New Mexico Women's Agenda, says her group has supported human trafficking legislation with a focus on victims. There is a need to support these victims so they are emotionally able to testify against the trafficker, she said. Trafficked minors should not be treated as juvenile offenders, but as the victims that they are, and they should be provided with a lawyer and services. Another provision supported by the New Mexico Women's Agenda is sealing the records of trafficked victims.

Questions/Concerns

A member noted that the legislature cannot appropriate funds to a nonprofit agency and suggested that funds might be provided out of behavioral health funds. Another member asked about the concerns with traffickers and how to protect the victims. Dr. DeBernardi said that victims need a safe house and that safety issues are paramount. There is concern for staff as well, he said. He described many victims as suffering from what is known as Stockholm syndrome, which is a form of traumatic bonding by the victim with the trafficker. It is important to break that cycle, he said, and help victims understand why they are drawn to these types of people.

Another member asked what percentage of the victims served are male, and Dr. DeBernardi said about 10%. None are minors, as the program is for adults, he said. Sometimes victims are local, sometimes they are from out-of-state, but virtually all of them have said there are other victims. Substance abuse is present 100% of the time, he said. Native American victims have difficulty reintegrating into tribes, said another member. It is still considered prostitution, and there is shame, the member said. Human trafficking was discussed at the Navajo Nation Tribal Summit and is considered a serious problem for the tribes. The member suggested perhaps some funding could come from the Indian Gaming Compact being negotiated right now.

Postnatal Screening for Congenital Heart Defect

Sheridan Gluff spoke to the committee about the birth of her son, and how, according to all standard screenings, he was beautiful and healthy. But her son died suddenly not long after birth, and Ms. Gluff and her husband were told their baby had a heart murmur, but in fact it was a birth defect of the heart, and it would have required immediate intervention to save the baby's life. Since losing her son, Ms. Gluff has become involved with the March of Dimes and agreed to appear here today as a spokesperson for the proposed legislation, Ryan's Law. "No parent should have to find out about a defect from the coroner", she said.

Kathy Cooper, a registered nurse who works at Lovelace Regional Hospital in Roswell, described the heart defect that affects three out of every 1,000 babies born in New Mexico. There is a test, she said, that is so simple and so inexpensive, it should be mandated in newborn screening. Ms. Cooper demonstrated the simple, noninvasive device used in the test, which has been strongly recommended by many pediatric and hospital associations. If a problem is suspected, an echocardiogram is next, she said. This test has been performed routinely at Lovelace in Roswell for about a year, and it usually is done at discharge. Every hospital in the state already has this equipment, Ms. Cooper said, so nothing new needs to be purchased, and it does not require any extra staff. Most states already do this test (see handout), she said, but there are 11 states that do not mandate it, and New Mexico is one of them.

Ron Reid, Ph.D., is state director of program services and governmental affairs for the March of Dimes, New Mexico Chapter. This special group is a team from the March of Dimes, Dr. Reid said, motioning to Ms. Gluff and Ms. Cooper; they are ambassadors. There are about 130 babies who die annually in New Mexico because of this easily detected defect, he said. This is one test that can save many lives.

Questions/Concerns

A member asked about collaborations, and whether the New Mexico Medical Association or the obstetrics and gynecology group had endorsed it. There has not been any opposition, Dr. Reid said. During a 30-day session, if everyone is not on board and if the governor is not on board, the chances of this initiative being enacted into law are nil, the member cautioned.

A member motioned for the committee to write a bipartisan letter of support for Ryan's Law. There was no further discussion and no objections, and the motion passed unanimously.

Dr. Reid provided members with a folder of information (see handouts) on prematurity and its economic impact. There are many things that can be diagnosed and prevented in utero, he said.

The meeting recessed at 4:35 p.m.

Friday, October 4

Call to Order and Introductions

The meeting was reconvened at 8:45 a.m. by Representative Madalena, who yielded his gavel to Senator Kernan. It was noted by Senator Kernan that former state representative Donald L. Whitaker, who was from Eunice, had passed away early that morning. Senator Kernan and other members and guests recalled Representative Whitaker's many contributions to Lea County and New Mexico Junior College and his many years of effective and generous service in the state legislature.

Members and staff were asked to introduce themselves, and it was announced that the

agenda had changed; the afternoon presentations had been canceled and would be rescheduled for the next meeting of the LHHS in Santa Fe in November.

Behavioral Health Services Discussion

Daniel J. Ranieri, Ph.D., is president and chief executive officer (CEO) of La Frontera Arizona and La Frontera New Mexico. La Frontera Arizona was founded in 1968, and Dr. Ranieri joined the nonprofit organization in 1995, coming from several positions in the for-profit corporate health care world. When he started at La Frontera, there was great system upheaval in Arizona, with many providers on the brink of bankruptcy, and Dr. Ranieri said he had to hire and implement a business structure. The transition took eight years, he said, and at that time, La Frontera had an income of $11.5 million and 225 employees, "but we were broke". Over time, La Frontera expanded statewide, primarily by friendly acquisitions of other nonprofits that approached it. About three years ago, La Frontera rebranded and redefined its mission as being a community problem-solver working with community partners in public safety, economic development, suicide prevention, senior living and prevention of violence. La Frontera Arizona, now the largest affordable housing provider in the state and a leader in organizational cultural competency, has 930 employees, he said.

Dr. Ranieri said that when La Frontera came to New Mexico, the task before it was huge; it grew and became more complicated, he said. There are a lot of things that he does not know about the transition — Dr. Ranieri insisted he has had no private conversations — but he will tell the committee what he does know. He invited members to contact him at any time with further questions.

Dr. Ranieri said he was first contacted in late November by a friend, Andy Sekel, CEO of OptumHealth Behavioral Solutions, who asked if he knew about "the Carlsbad situation" and said that OptumHealth might need some help. His friend asked if he could give Dr. Ranieri's contact information to the HSD. In January, Dr. Ranieri said, he got a call from Diana McWilliams, and he invited her to visit La Frontera in Arizona. On February 28, the first day of the Public Consulting Group (PCG) audit of the 15 providers, Ms. McWilliams met with him in Arizona for several hours, he said. She was accompanied at this meeting by Thomas Aldridge, who was in charge of the PCG audit, Dr. Ranieri said. In mid-May, Dr. Ranieri said he was again contacted and told that the preliminary audit results were showing problems much deeper than expected, and the HSD was probably going to need help, but the HSD would not know until the audit results were presented. Contract negotiations began at the end of May, and after the contracts were in place, La Frontera started to put together a transition team composed of approximately 20 employees and contractors. This team met regularly, he said, and like a special forces unit, had to be prepared to be deployed. They had an exhaustive list of things to do, he said, and on June 24, when pay holds were initiated on the 15 New Mexico providers, his team was told to be ready. Once directed, the team needed to be "on the ground" in 72 hours. On Friday, July 19, Dr. Ranieri said he received a directive to be on the ground the following Tuesday to transition Southwest Counseling Center in Las Cruces. The HSD wired $160,000 to cover the center's operations that week, he said, and La Frontera hired 106 of the 112 employees

at Southwest and leased all of its facilities, phones and vehicles. Of the 106 hired, three have left, to his knowledge. Dr. Ranieri was then told that La Frontera would be transitioning Families & Youth, Inc. (FYI), in Las Cruces, The Counseling Center in Alamogordo, TeamBuilders Counseling Services, Inc., in Santa Fe, Border Area Mental Health Services in Silver City and Southern New Mexico Human Development in Anthony. Dr. Ranieri said La Frontera retained a total of 418 staff and actively reached out with each community, with "pretty good" reception.

Dr. Ranieri said there have been many rumors, some inaccurate, some gross exaggeration. He addressed just a few, saying that the ACT team in Las Cruces has not been shut down; it was restructured and updated. It is not true that La Fontera is not providing transportation for the ACT consumers. La Frontera acquired the original 20 vehicles that were being used, and it has purchased nine more. He also addressed rumors that Arizona providers were being hired. La Fontera is not hiring Arizona people, Dr. Ranieri said; there are between two and five Arizona people (from his organization) working permanently in New Mexico.

Questions/Concerns

Committee members had numerous questions for Dr. Ranieri, which have been grouped into the following categories.

How are issues with billings being addressed? New Mexico has changed its behavioral health oversight entity every four years, and providers have not been given the opportunity to adjust their billing problems, one member noted. Dr. Ranieri said that in Arizona, the same regional authority has been in place since 1995. Medicaid rules on billing and reporting have changed repeatedly over that time, and it took La Frontera the better part of five years to set up its system for proper and accurate billing. In Arizona, services have been modified to be in line with Medicaid rules, he said, and the clinical delivery system has been modified to match what Medicaid pays. Over time, as technology improved, billing has become increasingly more complex, Dr. Ranieri said. Everything must be correctly charted, with the proper diagnosis code, initials of the provider and notes that correspond. In New Mexico, providers did not catch up in the transition, he said. Some of the billings in the agencies La Frontera took over were awful, he said, but by teaching them from scratch and with monitoring, it will soon become evident whether the agencies are generating enough billings to survive. "Where did we drop the ball in the state of New Mexico?", another member asked. Dr. Ranieri said he feels it is a shared responsibility. In Arizona, all providers had to learn to bill properly, he said. If there were sanctions, the state would be sanctioned, as well as the regional entity and the providers.

Questions about provider trainings. The majority of New Mexico providers are currently being trained by La Frontera's team, he said. The training is extensive and involves all new computers and software, electronic recordkeeping and billing as an integrated process with checks and balances, Dr. Ranieri said. Also, the providers have access to online training. With the new billing system, there is a monitoring component and a compliance component, and many ways to report suspicious patterns. It is a big task, he said, and it adds to the cost, but it has to be

done. He estimated that training will be complete within the next 30 days to 90 days. A member noted that if the HSD had come to any of the state's nonprofit providers and challenged their billing systems, the providers could have built in the costs to fix them, but they were not offered any of the opportunities that La Frontera was provided.

Who controls medical records? A member said she thought medical records belong to the patient; another said that they belong to the contracting agency, i.e., Medicaid, but that the patient has to consent to a transfer of records. Dr. Ranieri said that this is an area of dispute. There are a series of contracts in place, he said. La Frontera contracts with OptumHealth, OptumHealth contracts with the HSD and the HSD contracts with the Centers for Medicare and Medicaid Services, and the service agreement states that the entity that contracts for services has access to the information in the records. La Frontera is taking the most conservative route to protect client confidentiality, he said.

Time line and scope of La Frontera contracts. "Are you temporary management?", a member asked Dr. Raineri. No, his organization is not temporary, he said. La Frontera has signed contracts with all four MCOs under Centennial Care. Asked if his company has other contracts with the State of New Mexico, Dr. Ranieri said that La Frontera has been asked to look into other possible contracts for non-Medicaid dollars, with justice programs and with some county agencies, but for now, the focus is on behavioral health. The member asked him if he would provide the committee with a list of other potential contract areas, and he agreed to do so.

Committee members had been provided with a copy of the contract between La Frontera Arizona and the HSD, signed June 18 and finalized on June 25, and had more questions. An earlier contract between the HSD and La Frontera was for services from March 11 through December 31, 2013 and was signed on February 25, 2013. Dr. Ranieri said that this was for earlier work, with minimal billing to cover time and expenses. There was very little done before mid-May, he said, just license certifications, nonprofit corporation filings, etc., nothing substantial. There were things that needed to be done for which La Frontera would be reimbursed, he said. A member read a list of La Frontera employee names from its 2012 Form 990, and then pointed to the hourly rates listed on Exhibit A attached to the contract, and asked if employees or contractors received any other taxable income from any other entity of La Frontera Arizona, Inc. Dr. Ranieri said they did not, although the company does provide incentives and periodic bonuses. The C corporation is an umbrella company, he explained, and it does not provide any services. Asked if he was receiving his rate of $300 per hour to appear here today, he answered yes. The member asked why the umbrella company is separate and is not a nonprofit. He did not know, and he said it was set up this way on the advice of La Frontera's attorney and auditor. The member asked if Dr. Ranieri was asked by the HSD to reveal his organization's corporate structure. He himself was not asked, he said, but maybe its attorney was. The billing rates in Exhibit A were not the result of negotiation, he said; these rates were presented to La Frontera, and La Frontera accepted. Dr. Ranieri estimated that he will probably have around 250 billable hours total for his part in the transition and that he intends to remain headquartered in Arizona.

Issues with Centennial Care. Dr. Ranieri said he is cautiously optimistic about Centennial Care and that critical behavioral health services will not be marginalized. He said La Frontera will be negotiating assertively for behavioral health, focused toward measuring outcomes. He does not know yet what the battles will be, but he expects it to be a challenge, given how tight funding is going to be. Dr. Ranieri said he understands the concerns about implementing Centennial Care, which certainly will not be eager to pay bills if they have not been correctly submitted. A member expressed concern about Centennial Care, because the primary care system has spun off behavioral health and she thinks it will not be dealt with by Centennial Care.

Why La Frontera was willing to take on such risk. A member asked if La Frontera considered doing some consulting first, rather than taking over. La Frontera would probably have preferred to do this in a more measured way, Dr. Ranieri said; it did think long and hard before moving forward. The transition team was working 15 hours a day to make sure services would not get interrupted and that employees would get paid. The member continued, asking why, when told to be ready in 72 hours and with all the unknowns, was he willing to take on this huge responsibility? His organization had the experience and the ability to go get the talent that was needed, he said. La Frontera had developed enough capacity that it felt it could transition without injuring the Arizona operations. Another member commented on the "special forces" language used by Dr. Ranieri in his opening statement. It seems like somebody instilled this combat mentality, and that there was a war being conducted behind the backs of the 15 targets, who had no idea of the coming trauma that would be instilled in providers and clients.

Empathy for colleagues. When Dr. Ranieri met with several of the CEOs of the organizations that were being transitioned, he said he felt badly. These folks had spent their lives building their careers and their companies, just like himself. A CEO has the ultimate accountability, Dr. Ranieri said, and if anyone is going to jail, it will be him, but he will not be going alone. Innocent mistakes can come from lack of sophistication or carelessness. Self-monitoring needs to take place continuously, he said, and La Frontera does its own evaluations on an ongoing basis.

Dr. Ranieri requested written follow-up regarding what information has been requested by the committee.

Many members of the committee thanked Dr. Ranieri for his willingness to appear before the committee and for his straightforward testimony. Several members lamented the fact that OptumHealth has never appeared in front of the committee despite four different requests. It was suggested that the LFC, which has powers of subpoena, may be able to help with this issue.

Public Comment

Roque Garcia, former CEO of Southwest Counseling, said that every four years, providers have been subjected to a change in the MCO, and that all of the changes have come on the backs of the providers. OptumHealth has been the very worst of them, Mr. Garcia said. OptumHealth had never before had a public sector contract; it had only worked in the private sector, Mr. Garcia

said, and it had absolutely no responsibility. The year 2009 was the worst, he said. "We could not get paid."

Rio Grande Behavioral Health was organized in 1990 in response to a request for proposals from the state to form a regional system, similar to one in Tucson, Mr. Garcia said. It is a great model, and providers have a lot of input. As health maintenance organizations came in to the system, everything changed. In 2000, with capitation, this was the first time that providers were able to purchase a software system to improve billing, he said. Mr. Garcia advised the committee to consider the advantage that La Frontera has: no real responsibility, and it is being funded to develop information technology and infrastructure. Copies of emails from OptumHealth telling Rio Grande how to bill ACT have been sent to the Attorney General's Office, Mr. Garcia said. There is no intention of any fraud anywhere. The state has just spent $20 million to eliminate 15 CEOs. Mr. Garcia said he would have resigned, but he wants due process and a presumption of innocence.

Krista Scarson, a former nurse practitioner for Southwest Counseling who was employed with La Frontera for two weeks before quitting, told committee members that some of the things she had heard today are not true. She said much of Dr. Ranieri's information is inaccurate because it was provided to him by Larry Heyeck. There was a hostile takeover, she said; these plans had been in place for a very long time. Although she was assured by the HSD that the Arizona company would be ready, there were no computers, no paperwork, no authorizations, no access to charts, she said. The basic elements for a clinical transition were missing. Ms. Scarson wrote letters to U.S. Senators Tom Udall and Martin Heinrich about her concerns. On Monday, at the Behavioral Health Subcommittee meeting in Albuquerque, Ms. McWilliams discussed her "audit" of Southwest Counseling's ACT services. Ms. Scarson said she does not know who conducted the audit, because no one talked with her or her former CEO. Ms. Scarson disputed Ms. McWilliams assertions item by item. What Ms. McWilliams was reporting simply is not true, she said. Ms. McWilliams is not a clinical prescriber, and her assertion that using telemedicine with this vulnerable population is "an innovative method" is actually just a way to cut costs.

Role of County and Tribal Health Councils in New Mexico's Public Health Infrastructure

Ron Hale, coordinator of the New Mexico Alliance of Health Councils, represents 30 active tribal and county health councils that mobilize communities to identify local health needs and plan and coordinate solutions to those needs (see handout). New Mexico is one of just a few states that do not have county-based public health offices, Mr. Hale said. The coalition, created in 1991, was funded by the DOH until 2010, when funds were cut. New Mexico has huge health problems rooted in poverty, he said, and health care access is an enormous challenge. The councils have been able to attract millions of dollars in grant funding over the past decade, Mr. Hale said, resulting in an investment of $4.00 for every $1.00 invested by the state. A recent three-year evaluation of the health councils by UNM found that the councils established new programs, influenced policies, developed coalitions and networks and accomplished other outcomes leading to improved health in their communities. Mr. Hale said the health councils are

asking $900,000 from the legislature this year to continue their work.

Jane Batson, coordinator of the Chaves County Health Planning Council, described the council membership as being broad-based and representative of the community (see handout), including consumers, clergy, public schools, city and town governments, agencies and senior groups. Accomplishments include creation of a dental services program in 1999 that has evolved into a full-scale dental clinic and the creation of The Open Door free women's health program that includes case management and home visitation. Other accomplishments include a pharmacy program, a school-based health center, a free outreach clinic for the homeless and uninsured, a health impact assessment funded by the W.K. Kellogg Foundation and annual health fairs, among others. The complete loss of funding in 2010 challenged the health council's ability to maintain this coordination, Ms. Batson said, and program stability was challenged.

Patty Collins, former coordinator of the Lea County Health Council, spoke about the loss of funding for staff who can provide the detailed work on the specific health disparities in the community (see handout). Membership, which represents five different communities, has been able to share services and resources and to work toward common goals.

Dick Mason, co-chair of the Sandoval County Health Council, said the council is fortunate to have representation from numerous other boards, councils and citizens groups (see handout). The broad-based nature of the council helps for implementing environmental strategies. Among its accomplishments are a health commons in Bernalillo for low-income county residents, development of a transportation system to provide transport to essential services for residents of rural Sandoval County, conducting a health needs survey every two years and development of a directory of county resources.

Yolanda Cruz, health councils and community coordinator of the New Mexico Health Equity Partnership (see handouts), described the many activities of the partnership, which is funded by a grant from the W.K. Kellogg Foundation through the Santa Fe Community Foundation. The project intends to give local leaders the data, tools and skills to address social, economic and environmental conditions in their communities that shape health outcomes. Ms. Cruz said the Health Equity Partnership will have particular focus on racial, environmental and economic inequities related to higher infant mortality, higher rates of disease and disability and shortened life expectancy.

Committee members thanked the presenters on health councils for their worthwhile work. One member suggested that the committee should consider supporting this funding request or come up with a formula for the local county to be matched.

Motions for Various Letters

Following discussion, a motion was made, seconded and passed for the draft letter to Secretary of Human Services Sidonie Squier to ask specifically for C9 reports for behavioral health from January 1 to the end of September. Regarding a letter to the congressional

delegation, another member suggested the emotional tone be removed from it to make it a factual request. Others agreed, and a motion was made, seconded and passed with no objections. A third letter, this one to the attorney general concerning a possible breach of notification requirements with unencrypted data being sent via email, was discussed. A motion to send the letter was made, seconded and passed with no objections.

The meeting adjourned at 3:30 p.m.